

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 98-525

July 15, 1998

NORTHPORT VILLAGE CORPORATION
Application for Approval of
Issue of Securities (§ 902)(\$600,000)

ORDER

WELCH, Chairman; NUGENT, Commissioner

On July 9, 1998 the Northport Village Corporation (the Village Corporation) filed with the Commission its application for authority to issue its bond in a sum not to exceed \$600,000 through the State Drinking Water Revolving Loan Fund administered through the Maine Municipal Bond Bank, at an annual rate not to exceed 5.0 percent. The debt will be paid over a term not to exceed 20 years.

The Village Corporation requires these funds to construct a water main connecting its water system with the Belfast Water District.

Pursuant to an Amended Delegation Order dated January 9, 1996 in Docket No. 93-169, the Commission delegated to the Director of Finance its authority under 35-A M.R.S.A., Chapter 9 and 11, to approve water utility financing applications, including those that involve mortgaging utility property, for MMBB, REEDA and their successors. This delegation in no way limits the Commission's authority to review the decision of the Director of Finance pursuant thereto or to directly consider requests for variation. The Director of Finance's approval shall be in the form of an Order, copies of which shall be maintained in the files of the office of the Administrative Director.

Having reviewed the application of the Village Corporation, together with data filed in support of it, it is the opinion of the Commission that the proceeds of the issuance of the bond are required in good faith for the purposes enumerated in 35-A M.R.S.A. § 901. In approving this securities issue, consistent with normal practice and pursuant to § 902(4), the Commission does not imply approval of the Village Corporation's capital needs or capitalization ratio for ratemaking purposes, nor does this Order limit or restrict the powers of the Commission in determining or fixing any rate.

Accordingly, pursuant to the Amended Delegation Order dated January 9, 1996, in Docket No. 93-169, I

O R D E R

1. That Northport Village Corporation is hereby authorized to issue its bond in a sum not to exceed \$600,000 to be used solely for the purposes described in this Order, and at a rate not to exceed 5.0 percent per year through the State Drinking Water Revolving Loan Fund administered through the Maine Municipal Bond Bank for a term not to exceed 20 years.

2. That the Village Corporation report to the Commission, in writing, its doings pursuant to this Order within sixty (60) days of the date of the issue of the proposed bond, or by October 30, 1998, whichever may come first.

3. That a copy of this Order be mailed to interested parties and this Docket be closed.

Dated at Augusta, Maine, this 15th day of July, 1998.

BY ORDER OF THE DEPUTY DIRECTOR
OF FINANCE

Richard Kania
Deputy Director of Finance